

# **EXHIBIT 4**

# **McKool Smith**

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January 12, 2024

## **VIA EMAIL**

Marc Fenster  
Email: [mfenster@raklaw.com](mailto:mfenster@raklaw.com)  
Russ August & Kabat  
12424 Wilshire Boulevard, 12<sup>th</sup> Floor  
Los Angeles, CA 90025

RE: *Headwater Research LLC v. AT&T Inc., et al* (Lead Case)—US District Court, Eastern District of Texas, Civil Action No. 2-23-cv-00397. *Headwater Research LLC v. AT&T Inc., et al* (Member Case)—US District Court, Eastern District of Texas, Civil Action No. 2-23-cv-00398

Dear Marc:

I write regarding the excessive number of patent claims asserted in the two cases Headwater filed against AT&T. Headwater is currently asserting a tremendous volume of claims—in total 281—across the four asserted patents. Several weeks ago, Headwater agreed, in two emails sent December 18, 2023, to discuss meaningfully narrowing the case in the new year.

As the new year has arrived, AT&T proposes that the parties agree to narrow the case in accordance with the limits set out in the Eastern District of Texas’s Model Order Focusing Patent Claims and Prior Art. This case is unusual in that the Markman hearing, which serves as the benchmark for narrowing the case under the Model Order, occurs very late in the schedule. To meaningfully limit the case and reduce costs, AT&T proposes the schedule below:

- AT&T proposes that Headwater shall serve a Preliminary Election of Asserted Claims, which shall assert no more than ten claims from each patent and not more than a total of 32 claims, 30 days after AT&T serves its Initial Invalidity Contentions.
- Not later than 14 days after service of Headwater’s preliminary election, AT&T shall serve a Preliminary Election of Asserted Prior Art, which shall assert no

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more than twelve prior art references against each patent and not more than a total of 40 references.<sup>1</sup>

- AT&T proposes that Headwater shall serve a Final Election of Asserted Claims, which shall assert no more than five asserted claims per patent from among the ten previously identified claims and no more than a total of 16 claims no later than 28 days before the service of expert reports by the party with the burden of proof on an issue.
- Not later than the date set for the service of expert reports by the party with the burden of proof on an issue, AT&T will serve a Final Election of Asserted Prior Art, which shall identify no more than six asserted prior art references per patent from among the twelve prior art references previously identified for that particular patent, and no more than 20 total references.

Please advise whether Headwater is amenable to this approach. I am happy to schedule a call to discuss.

Best regards,



Nicholas Mathews  
Principal

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<sup>1</sup> A prior art instrumentality (such as a device or process) and associated references that describe that instrumentality shall count as one reference, as shall the closely related work of a single prior artist.